G R.S. IX-5]

Previous references. 1923-24 File No. 192-14

Mis 22 of 1892-3 (Mur) Serial Nos. 1 – 2

Later references.

Mag 33-25-1-3

17-18

GENERAL AND REVENUE SECRETARIAT

Serial Nos. 1 – 2

Part B for February 1925

SUBJECT

Endowment ~~deposit~~ for the Support of Poketalle Nobba Chetty Chattram near the Bangalow Cy. Rd. Station.

Govt 11834/ mur 193-24-25 Sec. 2.

Declining ~~to~~ exempt Mr. Chinnasami Chetty from the Obligation to maintain Accounts in respect of the Chattram

G. R S. 1924-25

GENERAL AND REVENUE SECRETARIAT.

(Mysore)

NOTES.

File No 193-24

FILE HEADING.

Endowment made for the support of Polepalli Subba Setty's chattram near the City Rly: Station, Bangalore.

From

The Mys: Govt. in Mysore

No. Apl 8924-25 Dated 22-12-24 Received 2-1-25

Diary No. 1074	Enclos	Spare Copies	Serial No. 1

BRIEF ABSTRACT OF LETTER.

Forwards the file of papers relating to the contention of Mr. Chinnaswami Setty, that he is not bound to send up accounts of Receipts & Expenditure of the chattram with the bill for drawing of half-yearly interest on the endowt & states that only of a brief annual report & a summary of receipts is quite necessary

NOTES AND ORDERS.

(1) Mys. file 22 of 1892 containing the original sanad receiving the Rajendrapet property in the endowment of the chattram is sent up for reference.

2 The point for consideration and decision in this case is whether Mr. Chinnaswami Setty is bound to

NOTES—First Sheet.

Serial No.

is bound or not bound to attach a statement of receipts and expenditure to the bill presented by him for drawing half-yearly interest on the charitable deposits made for the support of the charities.

2. Under clause (c) of Rule IV of the Rules governing charitable Deposits (vide 4/3-03 - J 7 15-07-2 & 15 709) the Donor should keep & maintain a true and correct account of the expenditure of the interest drawn in such form & with such details as the Govt may from time to time prescribe. The account shall be open to the inspection of Govt officers.

3 Under Rule V, an annual report on the administration of the charity accompanied with abstracts of Receipts & Expenditure, should be sent.

4. Vide G O No. 502-4/Misc 201-18-3 & 14-7-1 prescribing the procedure to be adopted in the presentation of bills for payment of interest due on Religious & charitable Endowments, it was laid down (clause 2) that the Asst Sec to whom the bills are presented should satisfy himself that the services are properly performed & then countersign the bills & forward them direct to the Comptr for audit & sanction for payment.

NOTE—Contn Sheet

Again, in clauses 1, 2 & 3 of the G.O. No. 40 & 20-70/-89 399 20-12 & 26-12-22, the strict enforcement of the submn of the annual report, with a brief statements of the accounts, before payment of half-yearly interest on charitable endowments has been enjoined.

5. The contention of Mr. Chinnasami Setty is that these rules and orders cannot be given retrospective effect and made applicable in his case, as the deposits were made by his father-in-law Mr. Palepalli Subbayya Setty under the order of 1892 & long before these rules & orders came into force.

6 It is no doubt true that in the G.O. No. 492 500-22 & 9-8-92, under which the deposits were accepted, there is no rule prescribing the maintenance or submn of accounts and the annual report. That condition has been introduced in the revised rules issued under G.O. No. H 473-503/G.7. 15-09-23 & 15-7-09.

7. So, the point for consideration & orders is whether Mr. Chinnasami Setty is not bound by the revised rules on the subject.

8 How similar cases are being dealt

Serial No. 7

Page 98 of the Ad. Manual

D

NOTE—Contn. Sheet

Revenue Secretariat.

Mg File No. 193 of 19 24

Serial No.

with those questions of a similar nature with reference to the rules governing them are decided, may, perhaps, be ascertained in other Depts of the Govt or the Financial Deptt to settle the disposal of the question

Subd for orders.

Sd. G. The Financial Secretariat may perhaps be consulted as to the contention of Mr. Chinnaswami Chetty.

RG
9.1.25

The contention of Chinnaswami Chetty does not seem to be tenable. Govt are at perfect liberty to make rules from time to time as they deem fit, to ensure that the Charities are properly conducted. Though the Act of 1908 or 192 Cannot have retrospective effect in the sense that no accounts for the previous years can be called for, they can be in the Bundobast seems to have been made in this respect upon the production of a Statement of receipts & Expenditure before Govt signed the bill in token of agreement to 1922.

12.1.25

fe 14.1

15.1.25

NOTE—Contn Sheet

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R S. III-21

1074

File No. 193 of 19

Serial No.

G. R. S. III-2]

WD 2310—GPB—10,000—31 5 24

General and Revenue Secretariat.

Mang. File No. 193 of 1924.

Serial No. 2

To the Manager Commercial Complex Mang.
No. 1183-4 d. 5.2.25. States that the audit
of a set of accounts of the income & expenditure
of the instn has been prescribed in order that
govt may satisfy themselves that the de-
posit is used for a charitable object & that
as such govt are not prepared to exempt
Mrs. Chinnadorai Ltd from the obligation
to maintain & furnish accounts as required
by the rules.

Note—Contn. sheet.

No. A/P 8/24-25 Office of the Muzrai Commissioner in Mysore,
encs two files Dated Bangalore, 22nd December 1924.

From

K. Chandy, Esquire., B.A.,
Muzrai Commissioner in Mysore,
Bangalore. Dno. 1074

To

K. V. Anantaraman, Esquire., B.A., Muz. 193-24-1.
Secretary to the Government of
His Highness the Maharaja of Mysore,
Revenue Department.

Sir,

I have the honor to state that Mr. Chinnaswami Setty, Manager of Polepalli Subba Setty's Chattram near the City Railway Station, Bangalore, an endowment from whom of the sum of Rs.30,000/- for ---- maintenance of the chattram had been accepted by Government (vide -- Government Order No.118-20/Muz.22-9-2 dated 15th July 1902) presented to the Amildar, Bangalore Taluk for countersignature a bill for Rs.750 being the interest on his charitable endowment for the half year --- ending December 1922 and it was returned by the Amildar for presentation with a statement of receipts and expenditure. Mr. Chinnaswami Setty wrote back to say that the endowment in question was made under the rules issued in G.O.No.492-500/Muz.dated 9th August 1892 which do not ----- prescribe the condition that statements of receipt and expenditure -- should be attached to the bill and requested the return of the bill countersigned as heretofore under the circumstances explained. His attention was again drawn by the Amildar to G.O.No.F.4020-70/Edn.39-20-12 dated 26th December 1922 requiring the submission of an annual - administration report together with a brief statement of accounts in all cases of charitable endowments. In his letter of 19th January - 1923, he repeated his contention that the Government Order of August 1892 under which the chattram endowment was accepted did not prescribe the submission of an annual report or a statement of accounts. The Amildar submitted the papers to the Deputy Commissioner for orders. On 4th June 1923, Mr. Chinnaswami Setty complained to the Deputy

Deputy Commissioner of the non-receipt of the bill for interest from the Amildar duly countersigned and reiterated all the circumstances of the case together with his own reasons for not complying with the Amildar's instructions. In May 1924 he approached the Deputy Commissioner with a petition through his Counsel and solicited early orders. In reply, he was given an endorsement to say that as per standing orders, a certificate of receipt of the annual --- admistration report and of the proper utilization of the interest previously drawn has to be made on the bill by the countersigning officer and that it would suffice if the manager of the charity ~~fx~~ furnished a copy of the annual report on the administration of the charity and a brief statement of accounts. Mr. Chinnaswami Setty feels aggrieved at this order and has come up in appeal to this -- office. He urges the ~~ground~~ ground that neither the G.O. of 1892 nor the bond executed by the depositor imposes upon the administration of the charity the liability to submit accounts or a report to Government and the standing order of Government passed subsequently should not be construed to have retrospective effect. Rule IV of the order of 1892 only required that the donor should execute a document to Government binding his heirs, executors administrators or assignees not to demand at any time the whole or any portion of the principal of the sum deposited. The submission of an annual administration report is one of the conditions prescribed in the rules issued with the subsequent Government order No.Fl.473-503/GL.15-09-2 dated 15th July 1909 governing charitable endowments. I am of opinion that although the submission of a report and of accounts is not specifically laid down in the investment accepting the endowment, so long as the endower, is himself the manager while Government are the -- custodians of the money and of the trust, natural justice requiries some control by Government over the charity and the submission of a brief annual report on the administration of the charities with a summary of accounts cannot be considered to be unnecessary.

I solicit the favour of Government orders in the matter.

The

The records pertaining to the case are enclosed.

I have the honor to be,

Sir,

Your most obedient servant,

K Ruan Ali

Muzrai Commissioner.

KSR.

Mur. 7]

SUBJECT.....

Diary No of letter replied to... 1074..

SECTION Mur.
FILE No. 193-24.
SERIAL No. 2.

Mysore Secretariat

(Mur)

the 192 .

Proceedings of the Government of His Highness the Maharaja of Mysore

Date of issue .. 5-2-25

Signed by. Mr Y Ramaiah

Read— Letter No. Aff. 3 of 24-25 dt 22-11-24 from the Mysore Comr. in Mysore forwarding the file of papers relating to the contention of Sri Channasami Setty, manager of Polepalli Subba Setty's chattram near the City Rly. Station, Bangalore, that he is not bound to submit accounts of Receipts and Expenditure of the chattram along with the bill for drawing half-yearly interest on the

Order Thereon No.

May this be

i Printed ?

ii treated as a standing order ?

iii published in the Gazette English Part ?

iv translated ?

v placed at the disposal of the press ?

vi published in the Gazette, Kannada Part ?

compd
SS 3/2/25

Ar.
KS

endowment of Rs 30000/- made by Subbiah Selly for support of the chattram; and so far as that he is of opinion that the submission of a brief annual report on the administration of the charities, with a summary of accounts, is quite necessary-

Order:- 110

The deposit having been received by Govt under the Rules governing Charitable Endowments and interest thereon ordered to be paid at special rates on that account, it is necessary that Govt should before paying the interest annually, satisfy themselves that it is used for the charitable object for which it was intended and not utilized for other unwarranted purposes - Govt ~~are not perfect liberty to revise~~

+ 4 Enclosures one file
Sub-a 9-2-24 -
113

List of enclosures.

Copied by

Examined by

WD 0566—2000—GPB—29-7-22

R. S. G/33]

GENERAL AND REVENUE SECRETARIAT.

(Continuation sheet draft form.)

revise the rules on the subject from time to time, as they deem fit, to ensure that the object is, as far as may be conducive. It is to enable Govt. to satisfy themselves in this respect that the submission of a statement of accounts of income & expenditure has been prescribed.

In the circumstances, Govt. are not prepared to exempt the Chinnasami Selly from the obligation to maintain and furnish accounts, as required by the Rules.

27.1.25 for Secretary

RD
26.1.25

To

The Mag. Court I Improve
with the enclosures

Copy to Govt.

WL 2230 -GPE—1,00,000—28 7 20

Proceedings of the Government of His Highness the Maharaja of Mysore.

Read.-

Letter No. App. 8 of 1924-25 dated 22nd November 1924 from the Muzrai Commissioner in Mysore forwarding for orders the file of papers relating to the contention of Mr. Chinnasami Setty, manager of Polepalli Subba Setty's Chattram near the City Railway Station, Bangalore, that he is not bound to submit accounts of Receipts and Expenditure of the chattram with the bill for drawing half-yearly interest on the endowment of Rs. 30,000/- made by Subbiah Setty for support of the chattram; and stating that he is of opinion that the submission of a brief annual report on the administration of the charities with a summary of accounts, is quite necessary.

Order No. 11832/M+193-4-2

Dated, Bangalore, the 5th February 1925.

The deposit having been accepted by Government under the Rules governing charitable endowments and interest thereon ordered to be paid at special rates on that account, it is necessary that Government should, before praying the interest annually, satisfy themselves that it is used for the charitable object for which it was intended and not utilized for other unwarranted purposes. It is to enable Government to satisfy themselves in this respect that the submission of a statement of accounts of income and expenditure has been prescribed.

In these circumstances, Government are not

prepared

prepared to exempt Mr. Chinnasami Setty from the obligation to maintain and furnish accounts, as required by the Rules.

By P. N. Krishnamurthy

Secretary to Government,

Revenue Department.

To

The Muzrai Commissioner in Mysore returning the enclosures.

Comptroller to the Government of Mysore.